

Max Planck Solarfarms Private Limited

Formerly known as Varuraki Solar India Private Limited

E -5 Ground Floor Defence Colony New Delhi-110024

Tel. 011 49746000

www.canadiansolar.com

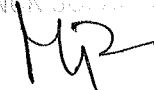
CIN: U74999DL2017PTC319478

TERMS & CONDITIONS OF COMPULSORILY CONVERTIBLE DEBENTURES

The Compulsory Convertible Debentures ("CCDs") being offered to the existing shareholders of the Company as stated in this Letter of Offer shall bear the following terms & conditions:-

1. **Principal Value:** The total Principal value of the CCDs allotted under this resolution shall not exceed Rs. 14,85,00,000/- (Rupees Fourteen Crores and Eighty Five Lakhs only)
2. **Face Value:** Each CCD shall have a face value of Rs. 1000/- (Rupees One Thousand Only)
3. **Form:** The CCDs shall be interest bearing, rupee denominated, un-secured, and compulsorily convertible into the equity shares and subject to the terms of the Resolution.
4. **Conversion Ratio:** Each CCD shall be convertible into 100 (One Hundred only) Equity Shares of Rs. 10/- each.
5. **Status:** The CCDs shall be issued free of all encumbrances including any claim against the debenture holders by the Company, together with all rights now or hereafter attaching hereto.
6. **Interest:** The CCDs shall carry the interest as detailed hereunder:
 - a) CCDs shall be entitled to interest at the rate of 0.01% per annum from the date of issue up to 2 years from the date of Commercial Operation Date ("COD") of the Project;
 - b) Interest from the end of 2 years after the COD date till the time of conversion of CCDs into equity shares shall be at the rate of 10% per annum.
Interest shall accrue every year and shall be paid at the discretion of the Board of Directors from time to time.
7. **Security:** The CCDs shall be un-secured.
8. **Conversion:**
 - a) **Voluntary Conversion:** At any time prior to the Mandatory Conversion Date (as defined below), the Company and the holder of a CCDs shall have the right, exercisable by notice in writing to the other, to convert the CCDs into such number of Equity Shares of the Company of the Face Value of Rs. 10/- (Rupees Ten only) each ("Equity Shares") as per the Conversion Ratio (as set out in para 4)
 - b) **Mandatory Conversion:** Each CCD shall be compulsorily convertible into such number of Equity Shares of the Company of the Face Value of Rs. 10/- (Rupees Ten only) each as determined by the Conversion Ratio (as set out in para 4) after the maturity period of 25 years (Twenty Five years) from the date of its issuance ("**Mandatory Conversion Date**")
The Equity Shares so issued on conversion of CCDs shall rank *pari-passu* in all respects with the existing Equity Shares of the Company.
9. **Liquidation Preference:** Subject to the applicable Laws, upon winding-up of the Company, the CCDs holders shall be entitled to receive the entire subscription amount in respect of the CCDs in

MAX PLANCK SOLARFARMS PRIVATE LIMITED



Authorized Signatory

Max Planck Solarfarms Private Limited

Formerly known as Varuraki Solar India Private Limited

E -5 Ground Floor Defence Colony New Delhi-110024

Tel. 011 49746000

www.canadiansolar.com

CIN: U74999DL2017PTC319478

preference to any distribution to any other unsecured creditor, and/or any distribution to any Equity Shareholder of the Company.

10. **Voting:** CCD holders shall not be entitled to vote at any Shareholders' meeting.
11. **Amendments of terms:** The Board may, subject to the applicable laws and consent of the CCD holders vary the terms of allotment and/or conversion of the CCD from time to time, as it may think fit in the best interest of the Company.

for Max Planck Solarfarms Private Limited

MAX PLANCK SOLARFARMS PVT. LTD.



Manoj Kumar Gupta Authorised Signatory

Director

DIN: 08047639